



===== SREE =====
===== AKKAMAMBA =====
===== TEXTILES LIMITED =====
===== TANUKU =====
===== 65th ANNUAL REPORT =====
2018 - 2019

SREE AKKAMAMBA TEXTILES LIMITED

Venkatarayapuram, Tanuku.

Board of Directors

Sri P. Narendranath Chowdary	Chairman
Sri M.S.R.V.K. Rangarao	Managing Director
Sri M. Narendranath	
Sri J. Murali Mohan	
Sri N.V. Somaraju	
Sri J. Suresh	

C.F.O.

Sri N. Satyanarayana	General Manager (Finance & Admn.)
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Bankers :

Andhra Bank
State Bank of India

Auditors :

M/s. Brahmayya & Co.,
Chartered Accountants
Vijayawada.

Registered Office & Mills :

Venkatarayapuram,
Tanuku - 534 215
Andhra Pradesh.

Cost Auditors :

M/s. Narasimha Murthy & Co.,
Hyderabad.

Company CIN :

U51909AP1954PLC000525

Registrar & Share Transfer Agents :

XL Softech Systems Ltd.,
3, Sagar Society, Road No. 2,
Banjara Hills, Hyderabad - 500 034

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Notice to Shareholders

NOTICE is hereby given that 65th Annual General Meeting of the Company will be held on 27th July, 2019 at 10.00 AM at the Registered Office of the Company at Venkatarayapuram, Tanuku, Andhra Pradesh, to transact the following business.

ORDINARY BUSINESS:

1. To consider and adopt the Statement of Profit and Loss for the year ended 31st March, 2019 and Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare Dividend on the equity shares.
3. To appoint a Director in place of Sri M.Narendranath who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of M/s. Brahmayya & Co., Vijayawada (Reg.No.000513S) as statutory auditors of the Company for the year 2019-20 and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 73 and other applicable provisions of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, the consent of the Members be and is hereby accorded to the Board of Directors of the company for accepting Fixed Deposits from Members within the limits prescribed in the Act."

"RESOLVED FURTHER THAT the Board of Directors or any person authorized thereof be and is hereby authorized to take all such steps as per the provisions of the Companies Act, 2013 and Rules made thereunder in this regard to give effect to this Resolution".

6. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sec.148 of the Companies Act, 2013 and other applicable provisions if any and rules made thereunder, the Company hereby ratifies the payment of remuneration of Rs.70,000/- (Rupees seventy thousand only) per annum to M/s.Narasimha Murthy & Co., Cost Accountants, Hyderabad, who were appointed as Cost Auditors by the Board at its meeting held on 22 May, 2019 for conducting the Cost Audit for the year 2019-20 in respect of the products viz., Cotton and Blended Yarns".

(BY ORDER OF THE BOARD)

Registered Office:
Venkatarayapuram,
TANUKU - 534 215,
22 May, 2019

for SREE AKKAMAMBA TEXTILES LTD

(P.NARENDRANATH CHOWDARY)
CHAIRMAN

NOTES:

1. A member entitled to attend and vote can appoint a proxy to attend and vote instead of himself and that a proxy need not be a member. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company. A member holding more than ten percent of the total share capital of the company may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.
2. The Register of Members of the Company will remain closed from 22nd July, 2019 to 27th July, 2019 (both days inclusive).
3. Members are requested to intimate to the Company, changes if any, in their registered addresses at an early date.
4. Dividends, if sanctioned, at the meeting will be payable to those shareholders, whose names are on the Company's Register on 27th July, 2019.
5. As per the provisions of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, the un-claimed Dividend in respect of Dividend for the year 2010-11 has been transferred to Investor Education and Protection Fund as envisaged in Section 125 (2) (c) of the Companies Act, 2013. Shareholders, who have not encashed the Dividends, may make a request to the Company for the payment of un-encashed Dividend amount in respect of Dividend declared from the years 2011-12 onwards in order to enable the Company to proceed with their request in case the dividend warrants remain un-encashed.

ANNEXURE TO NOTICE:

Explanatory Statement as required under section 102 (1) of the Companies Act, 2013.

Item No.5:

As per the provisions of the Companies Act, 2013, the company can accept fixed deposits only from its members. As such your Board of Directors considers it advisable to continue acceptance of Fixed Deposits from Members which would enable the Company to augment its Financial Resources for working capital requirements.

Your Directors therefore recommend the resolution for your approval.

Directors and Key Managerial Personnel may be deemed to be interested in the resolution in the event they place Fixed Deposits with the Company.

Item No.6:

The Board on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s.Narasimha Murthy & Co., the Cost Auditors to conduct the audit of the Cost records of the company for the financial year ending 31 March,2020 and remuneration of Rs. 70,000/- plus applicable taxes, out-of-pocket and travelling expenses have been fixed for this purpose.

Sree Akkamamba Textiles Ltd.,

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, ratification for the remuneration payable to the Cost Auditors for the financial year 2019-20 by way of Ordinary Resolution is being sought from the members.

Your Directors therefore recommend the Resolution for approval.

None of the Directors or Key Managerial Personnel of the company or their relatives are concerned or interested in the resolution.

(BY ORDER OF THE BOARD)

Registered Office:
Venkatarayapuram,
TANUKU - 534 215,
22 May, 2019

for SREE AKKAMAMBA TEXTILES LTD

(P.NARENDRANATH CHOWDARY)
CHAIRMAN

Directors' Report :

Your Directors have pleasure in presenting the 65th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2019.

FINANCIAL RESULTS:

	This Year Rs.	Previous year Rs.
Profit/(Loss) for the year	(2,48,58,918)	(3,24,87,102)
Add: Balance brought forward from prev. year	6,72,17,317	7,02,82,973
	4,23,58,399	3,77,95,871
Less: Provision for taxation :		
- Current	-	-
- Deferred	(72,48,362)	(3,67,80,710)
- for earlier years	-	-
Add: Excess provision for earlier year	-	-
Add: MAT credit entitlement	-	-
Total available for appropriation	4,96,06,761	7,45,76,581
Less: Amount utilized for Buy back of shares	-	39,92,770
Tax paid on Buy back of shares	-	9,21,212
Transfer to Capital Redemption Reserve	-	3,55,450
Dividend paid during the year	17,00,807	17,36,352
Tax on Dividend paid during the year	3,49,606	3,53,480
Balance carried forward	4,75,56,348	6,72,17,317
	4,96,06,761	7,45,76,581

Dividend:

Your Directors recommend a Dividend of 10% i.e.Re.1/- per equity share of Rs.10/- each for the year ended 31st March, 2019.

Performance:

During the year under review, your company achieved a turnover of Rs.108.45 crores as compared to Rs.106.74 crores in the previous year. During the year, the company incurred a loss of Rs.2.49 Crores (after taking into account a sum of Rs.2.45 crores received from the Govt. of Andhra Pradesh towards Electricity subsidy for the earlier years), as against a loss of Rs.3.25 crores in the previous year. The loss incurred is mainly on account of under utilization of the plant due to shortage of manpower. .

Capital investment:

During the year under review, the company has procured 3 sets of Loepfe Yarn clearers as an attachment to existing Auto coners at a cost of Rs.90 lakhs.

Outlook for the Current Year:

Due to vulnerable export market conditions, the yarn prices are continued to be non-remunera-tive. The lower capacity utilization due to more absenteeism and shortage of labour are also the major cause of concern. However, your company is taking all necessary steps to improve the operational efficiencies.

Fixed Deposits:

The details of Fixed Deposits accepted by the company from it's members under section 73(2) of the Companies Act, 2013 are as under:

i)	Deposits accepted/renewed during the year:	Rs.6,43,62,000/-
ii)	Remained unpaid or unclaimed as at the end of the year:	NIL
iii)	Whether there has been any default in repayment of . deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:	NIL
iv)	The details of deposits which are not in compliance with the requirements of Chapter V of the Act:	NIL

Conservation of Energy, Technology Absorption and Foreign Exchange earning and outgo:

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with rule 8 of The Companies (Accounts) Rules, 2014 is given in Annexure 'A' forming part of this Report.

Particulars of Employees:

None of the employees have drawn the salary in excess of the amount specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Investor Education and Protection Fund (IEPF):

During the year under review, the company has transferred to IEPF an amount of Rs.88,634/- on 13-10-2018 towards unclaimed dividend for the year 2010-11 corresponding to 44,317 equity shares.

Prevention of Sexual harassment at work place policy:

The company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Compliance Committee (ICC) has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy. As on the date of this report, there were no complaints received by the ICC.

The Directors' responsibility statement:

Pursuant to section 134 (3)(c) of the Companies Act, 2013, your Directors state that -

- a. In the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. The proper and sufficient care has been taken for maintenance of accounting records in accordance with provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The annual accounts of the company have been prepared on a going concern basis; and
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Extract of Annual Return:

An extract of Annual Return in Form MGT-9 as on 31 March, 2019 is attached as Annexure- B to this report.

Board Meetings held during the year:

During the year under review, 4 meetings of the Board of Directors of the Company were held on 21-05-2018, 25-07-2018, 27-10-2018 and 24-01-2019.

Nomination and Remuneration Policy:

The Board of Directors of your company has, on recommendation of the Nomination & Remuneration Committee, adopted a Nomination & Remuneration Policy which lays down the framework in relation to the criteria for selection and appointment of Board members and remuneration of Directors/Key Managerial Personnel and Senior Management of the company. This policy can be accessed on the company's website www.akkamamba.com.

Particulars of loans, guarantees or investments:

During the year under review, the company has neither given any loans/ guarantees nor made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

Related party transactions:

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 are furnished in **Annexure-C** (in form AOC 2) forming part of this report.

Material changes and commitments affecting the financial position of the Company which have occurred between end of the financial year and the date of Report:

There were no material changes and commitments affecting the financial position of the Company between end of the financial year (31st March, 2019) and the date of the Report (22 May, 2019).

Risk Management Policy:

The company has not developed any risk management policy, as in the opinion of the Board, the elements which may threaten the existence of the company are insignificant.

Corporate Social Responsibility:

In view of the losses incurred, your company has not spent any amount towards CSR activity during the financial year 2018-19.

Directors:

Under Article 111 of the Articles of Association of the company, Sri M. Narendranath retires by rotation at the ensuing Annual General Meeting and being eligible for re-appointment.

The Independent Directors of the company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and that there is no change in their status of Independence.

Names of Companies which have become or ceased to be Subsidiaries/ Joint Ventures/Associates:

There are no Subsidiaries / Joint Ventures / Associates existing / become/ ceased during the year.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status or operations of the Company.

Adequacy of internal financial controls:

Your company conducts a review of the financial and operating controls. The internal control system of your company commensurate with its size and nature of the business.

Audit committee:

Audit Committee comprises of 3 non whole-time Independent Directors Sri J.Murali Mohan, Sri N.V.Somaraju, Sri J.Suresh and 1 whole-time Director Sri.M.S.R.V.K.Rangarao. Sri J.Murali Mohan is the Chairman of the Committee.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of 3 non whole-time Independent Directors Sri J.Murali Mohan, Sri N.V.Somaraju and Sri J.Suresh. Sri J.Murali Mohan is the Chairman of the Committee.

Auditors:

At the 63rd Annual General Meeting (AGM) held on 26th July, 2017, M/s.Brahmayya & Co., Chartered Accountants, Vijayawada, were appointed as the statutory auditors of the company for a period of 5 years from the conclusion of 63rd AGM until the conclusion of 69th AGM.

In terms of Section 139 (1) of the Companies Act, 2013, the said appointment shall be subject to ratification by members in the ensuing AGM to carry the statutory audit for the financial year 2019-20.

The Auditors Report to the shareholders for the year under review does not contain any qualification.

Cost Auditors:

M/s.Narasimha Murthy & Co., Cost Accountants, Hyderabad are re-appointed by the Board as Cost Auditors of the Company for the financial year 2019-20. .

Industrial relations:

The relations with the employees at all levels are continued to be cordial.

Acknowledgement:

The Directors wish to place on record their appreciation for the co-operation the company received from various departments of Central and State Governments, Consortium of Banks, Deposit holders, Insurance Companies, A.P. Gas Power Corpn. Ltd. APEPDCL, GAIL and a host of customers, for their continued support and assistance. The Directors also wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment.

Venkatarayapuram
Tanuku - 534 215
Date: 22 May, 2019

For and on behalf of the Board of Directors
(P.NARENDRANATH CHOWDARY)
Chairman

Annexure 'A' to Directors' Report

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange.

A. Conservation of Energy:

Efforts to conserve and optimise the use of energy through operational methods and other means are continued.

Significant Initiatives

- Use of Indian Energy Echange (IEX) power has resulted in savings of Rs.31.81 lakhs.
- Replaced 40W tube lights with LED tube lights of 18W in Comber shed lighting purpose and saved about 55% power.
- Replaced suction arms in Auto Cone winder for reduced suction pressure and thereby reduced load on the Motor to save power by about 23%.
- Modification made to supply and exhaust Fan blades in Humidification Plants to reduce the power consumption by about 12%.

B. Disclosure of particulars with respect to Absorption of Technology, Research & Development:

Research and Development activities are carried out on an ongoing basis for improving the efficiency and also for improving quality of its products. No separate expenditure was incurred for R & D.

C. Foreign Exchange earnings and outgo:

There were no foreign exchange earnings during the year. The company incurred expenditure in foreign currency equivalent to Rs.3,73,58,274/- (previous year Rs. 5,41,58,207/-) towards import of raw materials, capital goods, spares etc.

Annexure 'B' to Directors' Report**FORM NO. MGT 9**

"Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
“(Management & Administration) Rules, 2014.”

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2019

I REGISTRATION & OTHER DETAILS

i	CIN	U51909AP1954PLC000525
ii	Registration Date	8-Apr-54
iii	Name of the Company	SREE AKKAMAMBA TEXTILES LIMITED.
iv	Category of the Company	Public Company
v	Address of the Registered office & contact details	
	Address :	Venkatarayapuram
	Town / City :	Tanuku
	State :	Andhra Pradesh - 534215
	Country Name :	India
	Telephone (with STD Code) :	08819 224945
	Email Address :	akkamamba@gmail.com
	Website, if any:	www.akkamamba.com
vi	Whether listed company	No
vii	Name and Address of Registrar & Transfer Agents (RTA):-	
	Name of RTA :	XL Softech Systems Ltd.,
	Address :	3, Sagar Society, Road No. 2, Banjara Hills,
	Town / City :	Hyderabad
	State :	Telangana
	Pin Code :	500 034
	Telephone :	040 - 23545913/14/15
	Email Address :	xfield@gmail.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

"All the business activities contributing 10 % or more of the total turnover"

Spinning Mill

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Spun Yarn	5205	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

No. of Companies for which information is being filled	Nil
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IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i. Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				(% Change during the year)
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual/ HUF	0	967120	967120	56.86%	0	943120	943120	55.45%	-1.41%
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bodies Corp.	0	8880	8880	0.52%	0	8880	8880	0.52%	0.00%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Any others	0	0	0	0.00%	0	0	0	0.00%	0.00%
(2) Foreign									
a) NRI - Individual/	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other - Individual/	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any Others	0	0	0	0.00%	0	0	0	0.00%	0.00%
Total shareholding of Promoter (A)	0	976000	976000	57.38%	0	952000	952000	55.97%	-1.41%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIs	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (Bodies Corp.)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub-total (B)(1):-	0	0	0	0.00%	0	0	0	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	140000	140000	8.23%	0	140000	140000	8.23%	0.00%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	387767	387767	22.80%	26485	361282	387767	22.80%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	197040	197040	11.59%	36000	185040	221040	13.00%	1.41%
c) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub-total (B)(2):-	0	724807	724807	42.62%	62485	686322	748807	44.03%	1.41%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	724807	724807	42.62%	62485	686322	748807	44.03%	1.41%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00%
Grand Total (A+B+C)	0	1700807	1700807	100.00%	62485	1638322	1700807	100.00%	0.00%

ii. Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			(% change in share holding during the year)
		No.of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No.of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	B. BULLIRAMIAH	24000	1.41%	0.00%	0	0.00%	0.00%	-1.41%
2	M. VIKRAM PRASAD	10800	0.63%	0.00%	10800	0.63%	0.00%	0.00%
3	M.SATYANARAYANAMMA	55677	3.27%	0.00%	55677	3.27%	0.00%	0.00%
4	P.NARENDRANADH CHOWDARY	40000	2.35%	0.00%	40000	2.35%	0.00%	0.00%
5	P. V KRISHNA RAO	20000	1.18%	0.00%	20000	1.18%	0.00%	0.00%
6	P.ATCHYUTARAMAYYA	4000	0.24%	0.00%	4000	0.24%	0.00%	0.00%
7	J. USHA RANI	14857	0.87%	0.00%	14857	0.87%	0.00%	0.00%
8	S.RANGANAYAKI	12000	0.71%	0.00%	12000	0.71%	0.00%	0.00%
9	M. KAMALA DEVI	12000	0.71%	0.00%	12000	0.71%	0.00%	0.00%
10	P.S.R.V.K.RANGA RAO	40000	2.35%	0.00%	40000	2.35%	0.00%	0.00%
11	M. THIMMARAJA	2000	0.12%	0.00%	2000	0.12%	0.00%	0.00%
12	M. RENUKA	38000	2.23%	0.00%	38000	2.23%	0.00%	0.00%
13	G. DEVI	20000	1.18%	0.00%	20000	1.18%	0.00%	0.00%
14	G. ANURADHA	20000	1.18%	0.00%	20000	1.18%	0.00%	0.00%
15	M. NARENDRANADH	2000	0.12%	0.00%	2000	0.12%	0.00%	0.00%
16	M. NARAYANAMMA	38000	2.23%	0.00%	38000	2.23%	0.00%	0.00%
17	M. VIKRAM PRASAD	16000	0.94%	0.00%	16000	0.94%	0.00%	0.00%
18	J. ANANTHA LAKSHMI	2000	0.12%	0.00%	2000	0.12%	0.00%	0.00%
19	M.S.R.V.K RANGA RAO	49600	2.92%	0.00%	49600	2.92%	0.00%	0.00%
20	M. HARISCHANDRA PRASAD	49600	2.92%	0.00%	49600	2.92%	0.00%	0.00%
21	P. VENKATARAYUDU	10000	0.59%	0.00%	10000	0.59%	0.00%	0.00%
22	P. RAVI	10000	0.59%	0.00%	10000	0.59%	0.00%	0.00%
23	M. NARENDRANADH	59200	3.48%	0.00%	59200	3.48%	0.00%	0.00%
24	M. THIMMARAJA	81600	4.80%	0.00%	81600	4.80%	0.00%	0.00%
25	S. V. INV & FIN. CO LTD.,	1760	0.10%	0.00%	1760	0.10%	0.00%	0.00%
26	T. M. INV & FINANCE CO (P) LTD.,	200	0.01%	0.00%	200	0.01%	0.00%	0.00%
27	S.T. INV & FINANCE CO (P) LTD	200	0.01%	0.00%	200	0.01%	0.00%	0.00%
28	S. V. DEVELOPERS & SEC P LTD.	3360	0.20%	0.00%	3360	0.20%	0.00%	0.00%
29	V. FINANCE PRIVATE LIMITED	3360	0.20%	0.00%	3360	0.20%	0.00%	0.00%
30	M. SRIVANI	2500	0.15%	0.00%	2500	0.15%	0.00%	0.00%
31	E. RAMALAKSHMI	2858	0.17%	0.00%	2858	0.17%	0.00%	0.00%
32	N. ANANTALAKSHMI DEVI	2857	0.17%	0.00%	2857	0.17%	0.00%	0.00%
33	S.B.RADHIKA	2857	0.17%	0.00%	2857	0.17%	0.00%	0.00%
34	M.KAMALADEVI	2857	0.17%	0.00%	2857	0.17%	0.00%	0.00%
35	P. VENKATA RAYUDU	4000	0.24%	0.00%	4000	0.24%	0.00%	0.00%
36	P. RAVI	4000	0.24%	0.00%	4000	0.24%	0.00%	0.00%
37	M. VENKATARAYUDU	7000	0.41%	0.00%	7000	0.41%	0.00%	0.00%
38	M. THIMMARAJA (IND)	32000	1.88%	0.00%	32000	1.88%	0.00%	0.00%
39	M. NARENDRANATH (IND)	139800	8.22%	0.00%	139800	8.22%	0.00%	0.00%
40	M. MRUTYUMJAYA PRASAD	107800	6.34%	0.00%	107800	6.34%	0.00%	0.00%
41	P. SUJATHA	952	0.06%	0.00%	952	0.06%	0.00%	0.00%
42	T. RAJKUMAR	952	0.06%	0.00%	952	0.06%	0.00%	0.00%
43	M.ASHA RANI	953	0.06%	0.00%	953	0.06%	0.00%	0.00%
44	M. RENUKA	5200	0.31%	0.00%	5200	0.31%	0.00%	0.00%
45	M. NARAYANAMMA	5200	0.31%	0.00%	5200	0.31%	0.00%	0.00%
46	M. RUKMINI	7000	0.41%	0.00%	7000	0.41%	0.00%	0.00%
47	M. RAMYATARA	7000	0.41%	0.00%	7000	0.41%	0.00%	0.00%
	TOTAL	976000	57.38%	0.00%	952000	55.97%	0.00%	-1.41%

iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.: 1 For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1) B V V S RAMESH KUMAR				
At the beginning of the year	16,000	0.94%		
Changes During the Year	24,000	1.41%		
At the End of the year	40,000	2.35%	40,000	2.35%
2) BOLLA SESHA SAI				
At the beginning of the year	36,000	2.12%		
Changes During the Year	-			
At the End of the year	36,000	2.12%	36,000	2.12%
3)VASIREDDY BHARATH				
At the beginning of the year	26,240	1.54%		
Changes During the Year	-			
At the End of the year	26,240	1.54%	26,240	1.54%
4)VADLAPATLA KANAKADURGA DEVI				
At the beginning of the year	22,000	1.29%		
Changes During the Year	-			
At the End of the year	22,000	1.29%	22,000	1.29%
5) V V N M RAMAKRISHNA KARTHIK				
At the beginning of the year	21,200	1.25%		
Changes During the Year	-		-	
At the End of the year	21,200	1.25%	21,200	1.25%
6) PAMULAPATI SAKUNTALA DEVI				
At the beginning of the year	18,000	1.06%		
Changes During the Year	-			
At the End of the year	18,000	1.06%	18,000	1.06%
7) YARLAGADDA UMA DEVI				
At the beginning of the year	17,600	1.03%		
Changes During the Year	-			
At the End of the year	17,600	1.03%	17,600	1.03%
8) B V V S RAMESH KUMAR				
At the beginning of the year	16,000	0.94%		
Changes During the Year	-			
At the End of the year	16,000	0.94%	16,000	0.94%
9) VEMANA INDIRA				
At the beginning of the year	12,000	0.71%		
Changes During the Year	-			
At the End of the year	12,000	0.71%	12,000	0.71%
10) JAGARLAMUDI MOHINI DEVI				
At the beginning of the year	12,000	0.71%		
Changes During the Year	-			
At the End of the year	12,000	0.71%	12,000	0.71%

v Shareholding of Directors and Key Managerial Personnel:

1. PENDYALA NARENDRNATH CHOWDARY		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year		40000	2.35	40000	2.35
Changes During the Year					
Increase					
Date	Reason for Increase				
	Allotment				
	Bonus				
	Sweat				
	Other				
Decrease					
Date	Reason for Decrease				
	Transfer				
	Other				
At the End of the year				40000	2.35

2 SRI MULLAPUDI NARENDRANATH		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year		201000	11.82	201000	11.82
Changes During the Year					
Increase					
Date	Reason for Increase				
	Allotment				
	Bonus				
	Sweat				
	Other				
Decrease					
Date	Reason for Decrease				
	Transfer				
	Other				
At the End of the year				201000	11.82

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3. SRI MULLAPUDI SRI RAMACHANDRA VENKATA KRISHNA RANGARAO	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	49600	2.92	49600	2.92
Changes During the Year				
Increase				
Date	Reason for Increase			
	Allotment			
	Bonus			
	Sweat			
	Other			
Decrease				
Date	Reason for Decrease			
	Transfer			
	Other			
At the End of the year			49600	2.92

4. SRI JAGARLAMUDI MURALI MOHAN	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the	No. of shares	% of total shares of the Company
At the beginning of the year	4000	0.24	4000	0.24
Changes During the Year				
Increase				
Date	Reason for Increase			
	Allotment			
	Bonus			
	Sweat			
	Other			
Decrease				
Date	Reason for Decrease			
	Transfer			
	Other			
At the End of the year			4000	0.24

5. SRI NULI VENKATA SOMARAJU		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year		1000	0.06%	1000	0.06%
Changes During the Year					
Increase					
Date	Reason for Increase				
	Allotment				
	Bonus				
	Sweat				
	Other				
Decrease					
Date	Reason for Decrease				
	Transfer				
	Other				
At the End of the year				1000	0.06%

6. SRI JAGARLAMUDI SURESH		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year		0	0.00%	0	0.00%
Changes During the Year					
Increase					
Date	Reason for Increase				
	Allotment				
	Bonus				
	Sweat				
	Other				
Decrease					
Date	Reason for Decrease				
	Transfer				
	Other				
At the End of the year				0	0.00%

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

Indebtedness at the beginning of the financial year	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	271687931	60177840	124012000	455877771
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	11190420	11190420
Total (i+ii+iii)	271687931	60177840	135202420	467068191
Change in Indebtedness during the financial year	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
* Addition	38677682	0	66126000	104803682
* Reduction	0	20011514	57648000	77659514
Net Change	38677682	-20011514	8478000	27144168
Indebtedness at the end of the financial year	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	310365613	40166326	132490000	483021939
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	12830552	12830552
Total (i+ii+iii)	310365613	40166326	145320552	495852491

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount Rs.
		MSRVK Rangarao, Managing Director		
1	Gross salary	2970194		2970194
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2807326		2807326
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	162868		162868
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	---		---
2	Stock Option	---		---
3	Sweat Equity	---		---
4	Commission	---		---
	- as % of profit	---		---
	- others, specify	---		---
5	Others, please specify	---		---
	Total (A)	2970194		2970194
	Ceiling as per the Act(excluding commission)	6000000		6000000

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount(Rs.)
		J.Murali Mohan	N V Somaraju	J Suresh	
1	Independent Directors				
	Fee for attending board/ committee meetings	30000	40000	40000	110000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	30000	40000	40000	110000
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	30000	40000	40000	110000
	Total Managerial Remuneration				3080194
	Overall Ceiling as per the Act		-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary	0	0	0	0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	NIL	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	- as % of profit	0	0	0	0
	- others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	0	0	0

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure 'C' to Directors' Report**FORM NO.AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rule, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of the section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis.
 - a) Name(s) of the related party and nature of relationship: NIL
 - b) Nature of contracts/arrangements/transactions: NIL
 - c) Duration of the contracts/arrangements/transactions: NIL
 - d) Salient terms of the contracts/arrangements/transactions including the value, if any: NIL
 - e) Justification for entering into such contracts/arrangements/transactions: NIL
 - f) Date(s) of approval by the Board: NIL
 - g) Amount paid as advances, if any: NIL
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL
2. Details of material contracts/arrangement/transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any (Rs. Lakhs)	Date(s) of approval by the Board, if any	Amount paid as advance, if any
M/s. Sree Venkataraya Printers & Packers Pvt.Ltd.	Purchase of paper cones and boxes / pads	01.04.2018 to/ 31.03.2019	124.52	03-02-2018	Nil
M/s. Sree Venkataraya Threads Pvt.Ltd.	Processing Charges (Reeling & Doubling)	01.04.2018 to 31.03.2019	116.95	03-02-2018	Nil
M/s.Royal Printing Works	Printing & supply of stationery	01.04.2018 to 31.03.2019	1.44	03-02-2018	Nil
M/s VSM Spg. Mills Pvt. Ltd.	Payment of Rent	01.04.2018 to 31.03.2019	10.08	03-02-2018	Nil

Annexure 'D' to Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES

A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Composition of the CSR Committee:

Sri M. Narendranath, Chairman - Non-executive Director

Sri J. Murali Mohan - Independent Director and

Sri M.S.R.V.K. Rangarao,- Executive Director

The Committee met once during the year under review.

Average net profit of the company for last three financial years

Average Net profit Rs.93,144/-.

Prescribed CSR expenditure (2% of the average net profit of last three financial years)

Since the profit during last 3 consecutive years is less than Rs.5 crores, the company during the financial year 2018-19 was not required to spend any amount towards CSR.

Details of CSR spent during the financial year;

- (a) Amount to be spent for the year: NIL
- (b) Amount spent during the year NIL
- (c) Balance unspent amount; NIL
- (d) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs-wise	Amount spent on the projects or programs Sub-heads (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
	--	--	--	--	--	--	--

Responsibility Statement by the Corporate Responsibility Committee:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

Tanuku
22 May,2019

(J.Murali Mohan)
Director

(M. Narendranath)
Chairman-CSR Committee

INDEPENDENT AUDITORS' REPORT

To The Members of **SREE AKKAMAMBA TEXTILES LIMITED, TANUKU**
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SREE AKKAMAMBA TEXTILES LIMITED ("the Company")** which comprise the Balance sheet as at 31st March, 2019, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial Statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its Statement of Profit and Loss and its Cash Flow Statement for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial state-

ments that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements:

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure- A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Companies Act, 2013, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
 - g) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 24 to the financial statements;

Sree Akkamamba Textiles Ltd.,

- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2019
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- h) With respect to the matter to be included in the Auditor's Report under Section 197(16)
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Brahmayya & Co.,
Chartered Accountants
Firm Registration Number: 000513S

Place : Tanuku
Date : 22nd May 2019

T.V.RAMANA
Partner
ICAI Membership. No. 200523

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT:

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date, to the members of **SREE AKKAMAMBA TEXTILES LIMITED** ("the Company"), for the year ended 31 March 2019. We report that:

- 1.1 The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- 1.2 The Fixed Assets are physically verified by the management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- 1.3 The title deeds of immovable property are held in the name of the Company.
- 2.1 The inventory has been physically verified by the management at reasonable intervals during the year under report. In our opinion, the frequency of such verification is reasonable.
- 2.2 On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of its inventory. The discrepancies noticed on physical verification of inventories as compared to book records were not material.
- 3.1 The Company has not granted any loans to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act 2013. Therefore the provisions of clause 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the said order are not applicable to the Company.
4. The Company has not granted any loans, investments, guarantees and security as per the Section 185 and 186 of the Companies Act 2013. Therefore the provisions of clause 3(iv) of the said order are not applicable to the Company.
5. In our opinion the Company has complied with the provisions of section 73 to 76 and other applicable provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted from the public. According to the information furnished to us, no order has been passed on the Company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 73 to 76 of the Companies Act 2013.
6. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7.1 According to the information and explanations given to us and the basis of our examination of the records of the Company, in our opinion, the Company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Goods and Service Tax ,duty of customs, cess and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.

- 7.2 According to the information and explanations given to us, there were no amounts of Goods and Service Tax, Customs Duty, Excise Duty, Cess, Income Tax that have been disputed by the Company, and hence, were not remitted to the concerned authorities at the date of the Balance Sheet under report.
8. According to the records of the Company examined by us, and the information and explanations given to us, there were no defaults in repayment of dues to financial institutions, banks or debenture holders at the date of the Balance Sheet.
9. In our opinion, and according to the information and explanations given to us, the term loans/debt instruments taken by the Company have been applied for the purpose for which they were raised.
10. According to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its employees or officers noticed or reported during the year, nor have we been informed of any such case by the management.
11. According to the information and explanations given to us, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
12. In our opinion, and according to the information and explanations furnished to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society and hence, the requirements of clause 3(xii) of the Companies (Auditors Report) Order 2016 are not applicable to the Company during the year under report.
13. According to the information and explanations given to us, all the transactions with the related parties are in compliance with section 188 and 177 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards.
14. According to the records of the company examined by us and the information and explanations given to us , there are no preferential allotment / private placement of shares or fully or partly convertible debentures during the year as per the Section 42 of the Companies Act 2013.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him as per Section 192 of the Companies Act 2013.
16. According to the information and explanations given to us, the Company is not required to be registered under the section 45-IA of the Reserve Bank of India Act, 1934.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Registration Number : 000513S
T.V. RAMANA
Partner
Membership Number:200523

Place :Tanuku
Date : 22.05.2019

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of SREE AKKAMAMBA TEXTILES LIMITED, ("the Company") as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI')". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the decisive factor, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence so obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Place : Tanuku
Date : 22nd May 2019

For Brahmayya & Co.,
Chartered Accountants
Firm Registration Number:000513S
T.V.RAMANA
Partner
ICAI Membership. No. 200523

Balance Sheet As at 31st March, 2019

Equity and Liabilities	Notes	As at 31st March 2019 Rs.	As at 31st March 2018 Rs.
<u>Shareholders' Funds</u>			
Share Capital	2	1,70,08,070	1,70,08,070
Reserves and Surplus	3	34,79,11,798	36,75,72,767
		36,49,19,868	38,45,80,837
<u>Non-Current Liabilities</u>			
Long-term Borrowings	4	13,24,86,000	15,18,62,616
Other Long-term liabilities	5	1,94,73,715	1,85,94,120
Deferred Tax Liability (Net)	6	8,56,73,049	9,29,21,411
Long-term Provisions	7	14,85,375	22,68,812
		23,91,18,139	26,56,46,959
<u>Current Liabilities</u>			
Short-term Borrowings	8	31,05,35,939	24,10,44,155
Trade Payables:	9.1		
a) Total outstanding dues of micro and small enterprises		-	-
b) Total outstanding dues of creditors other than micro and small enterprises		15,24,35,345	12,38,19,681
Other Current Liabilities	9.2	10,11,51,966	12,65,10,911
Short term Provisions	7	23,78,458	13,78,953
		56,65,01,708	49,27,53,700
TOTAL		117,05,39,715	114,29,81,496
<u>Assets</u>			
<u>Non current Assets</u>			
Property, Plant and Equipment			
Tangible Assets (Net Block)	10	67,43,59,644	70,47,88,089
Capital Work in Progress		-	-
Non-current Investments	11	3,88,20,798	3,88,22,298
Deferred Tax Assets (net)			
Long term Loans and Advances	12	5,50,62,963	5,50,58,098
Trade Receivables	13.1	-	-
Other Non Current assets	13.2	-	-
		76,82,43,405	79,86,68,485
<u>Current Assets</u>			
Inventories	14	27,13,39,042	20,53,63,341
Trade Receivables	13.1	9,90,68,969	10,34,70,140
Cash and Bank Balances	15	79,26,069	2,28,71,144
Short term Loans and Advances	12	1,92,35,455	1,09,44,265
Other Current Assets	13.2	47,26,775	16,64,121
		40,22,96,310	34,43,13,011
TOTAL		117,05,39,715	114,29,81,496
Summary of Significant Accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date for BRAHMAYYA & CO. Chartered Accountants Firm Regn.No.000513S T.V.Ramana Partner Membership No:200523 Place: Venkatarayapuram, Tanuku Date: 22 May, 2019

For and on behalf of the Board of Directors
P.Narendranath Chowdary, Chairman
J.Murali Mohan, Director
N.Satyanarayana, General Manager (Fin & Admn.)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019

Particulars	Notes	Current Reporting Period 2018-19 Rs.	Previous Reporting Period 2017-18 Rs.
<u>Income:</u>			
Revenue from operations	16	108,45,04,563	106,74,20,146
Other Income	17	3,04,49,386	75,46,800
Total Revenue (I)		111,49,53,949	107,49,66,946
<u>Expenses:</u>			
Cost of raw materials and components consumed"	18	59,43,87,739	56,51,08,219
[Increase]/Decrease in Inventories of finished goods	19	(57,37,810)	47,12,997
Employee benefits expense	20	14,58,09,827	14,69,04,863
Other expenses	21	30,63,43,439	29,34,81,674
Depreciation and amortization expense	22	4,22,26,060	4,18,48,651
Finance Costs	23	5,67,83,612	5,53,97,643
Total Expenses (II)		113,98,12,867	110,74,54,047
Profit/(Loss) before exceptional items & tax		(2,48,58,918)	(3,24,87,101)
Exceptional item		-	-
Profit/(Loss) before tax		(2,48,58,918)	(3,24,87,101)
Less : <u>Tax expenses:</u>			
Tax		-	-
MAT credit entitlement utilised		-	-
Current tax		-	-
Deferred tax		(72,48,362)	(3,67,80,710)
Less: MAT credit entitlement		-	-
Total tax expense		(72,48,362)	(3,67,80,710)
Profit/(Loss)(after tax) for the year from continuing operations		(1,76,10,556)	42,93,609
Earning per Equity Share:			
Basic and diluted		(10.35)	2.47
Summary of Significant Accounting policies	1		

As per our report of even date for BRAHMAYYA & CO. Chartered Accountants Firm Regn.No.000513S T.V.Ramana Partner Membership No:200523 Place: Venkatarayapuram, Tanuku Date: 22 May, 2019

For and on behalf of the Board of Directors
P.Narendranath Chowdary, Chairman
J.Murali Mohan, Director
N.Satyanarayana, General Manager (Fin & Admn.)

CASH FLOW STATEMENT FOR THE YEAR 2018-19

	2018-2019 Rs.	2017-2018 Rs.
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	(2,48,58,918)	(3,24,87,102)
Add/Less:		
Adjustments for:		
Depreciation	4,22,26,060	4,18,48,651
Interest paid	5,57,39,612	5,36,55,142
Interest received	(19,99,049)	(20,67,117)
Dividends received	(30,19,400)	(30,19,400)
Profit on sale of assets	(4,84,172)	(12,86,363)
Loss on sale of assets/written off	-	-
Operating Profit before working capital changes	6,76,04,133	5,66,43,811
Adjustments for		
Inventories	(6,59,75,701)	(3,24,01,736)
Investments	1,500	-
Long Term Liability	8,79,595	(4,15,307)
Long Term Provision	(7,83,437)	8,18,155
Trade Payables	2,86,15,664	2,85,92,445
Current Liability	(53,58,945)	94,16,885
Short term Provision	9,99,505	(8,49,904)
Trade Receivables	44,01,171	(1,85,05,634)
Long term Loans & Advances	(4,865)	82,53,700
Short term Loans & Advances	(80,81,884)	(8,43,758)
Current Assets	(30,62,654)	48,54,401
Cash Generated from operations	1,92,34,082	5,55,63,058
Less: Direct Taxes paid/Refund (Net)	2,09,306	23,15,069
Net Cash from operating activities before extraordinary items	1,90,24,776	5,32,47,989
Net cash from Operating activities (A)	1,90,24,776	5,32,47,989

Sree Akkamamba Textiles Ltd.,

	2018-2019 Rs.	2017-2018 Rs.
II. CASH FLOW FROM INVESTMENT ACTIVITIES:		
Purchase of Fixed Assets	(1,30,06,360)	(3,71,77,134)
Proceeds from sale of assets	16,92,917	15,52,962
Interest received	19,99,049	20,67,117
Dividends received	30,19,400	30,19,400
Net cash used in Investment activities (B)	(62,94,994)	(3,05,37,655)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Acceptance/(Repayment) of loans	3,01,15,168	5,18,01,146
Buy back of shares	-	(43,48,220)
Dividends paid	(17,00,807)	(17,36,352)
Dividend Tax paid	(3,49,606)	(3,53,480)
Interest paid	(5,57,39,612)	(5,36,55,142)
Net cash used for Financing activities (C)	(2,76,74,857)	(82,92,048)
Net increase in cash and its equivalents (A+B+C)	(1,49,45,075)	1,44,18,286
Opening cash & bank balances as on 1-4-2018	2,28,71,144	84,52,858
Closing cash & bank balances as on 31-3-2019	79,26,069	2,28,71,144
	1,49,45,075	(1,44,18,286)

As per our report of even date
for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn.No.000513S
T.V.Ramana
Partner
Membership No:200523

For and on behalf of the Board of Directors
P.Narendranath Chowdary, Chairman
J.Murali Mohan, Director
N.Satyanarayana, General Manager (Fin & Admn.)

Place: Venkatarayapuram, Tanuku
Date: 22 May, 2019

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1 - ACCOUNTING POLICIES

i. GENERAL

- a. The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards as prescribed under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the Act (to the extent notified). The financial statements have been prepared under the historical cost convention on accrual basis.
- b. Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in India requires management, where necessary, to make the estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised.

ii. PROPERTY, PLANT AND EQUIPMENT

Freehold Land is carried at historical cost. All other items of Property Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labor cost and directly attributable overheads incurred up to the date the asset is ready for its intended use. However, cost excludes Excise Duty, Value Added Tax and Service Tax, to the extent credit of the duty or tax is availed of. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

Depreciation and Amortization:

Depreciation is provided under straight line method in accordance with Schedule II to the Companies Act, 2013 treating the plant as a continuous process plant. Depreciation is computed at a uniform rate treating each Machine/Equipment as a single unit, since the value of components forming part thereof is insignificant.

Residual values and useful lives are reviewed and adjusted if appropriate for each reporting period.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding

at each Balance Sheet date is classified as capital advances under other Non-current assets and the cost of assets not put to use before such date are disclosed under capital work-in-progress.

Assets to be disposed off are reported at the lower of carrying value or fair value less cost of sales.

iii. INVESTMENTS

Investments are stated at cost and income thereon is accounted for on accrual. Provision towards decline in the value of investments is made only when such decline is other than temporary.

iv. BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalized as part of cost of such assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.

v. INVENTORIES

- a) Inventories are valued at lower of cost or net realizable value. In respect of Raw Materials and Stores and Spares, cost is determined using FIFO and weighted average methods respectively except, where the net realizable value of the finished goods in which they are used is less than the cost of finished goods and in such event, if the replacement cost of such materials etc., is less than their book values, they are valued at replacement cost. Cost of work-in-progress and finished goods include appropriate portion of overheads etc.,
- b) Stock of scrap and cotton waste are valued at estimated net realizable value.
- c) Tools and implements are valued at cost after providing for obsolescence.
- d) Machinery spares which can be used only in connection with an item of fixed assets and whose use is expected to be irregular are amortized over the life of the principal asset.

vi. SALES

Sales are inclusive of packing charges, freight and handling charges and are exclusive of Sales Tax/GST.

vii. EMPLOYEE BENEFITS:

- a) Company's contributions to Employees' Provident fund and Employee State Insurance are made under a Defined Contribution Plan, and are accounted for at actual cost in the year of accrual.
- b) The company's liability to gratuity on retirement of its eligible employees is funded with the Life Insurance Corporation of India. The incremental expense thereon for each year is arrived at as per actuarial valuation and is recognized and charged to the Profit and Loss Account in the year in which the employee has rendered service.
- c) Expense on account of unutilized/ unencashed leave is arrived at as per actuarial

valuation and is recognized and charged to the Profit and Loss Account in the year in which employee has rendered services in lieu of such leave.

- d) Gains/losses arrived at in the above actuarial valuations are charged to the profit and loss account immediately in each year.

viii. FOREIGN EXCHANGE TRANSACTIONS

- a) Export sales are initially accounted at the exchange rate prevailing on the date of documentation/invoicing and the same is adjusted with the difference in the rate of exchange arising on actual receipt of proceeds in foreign exchange.
- b) Import of materials/capital equipment is accounted at the rates at which the actual payments are affected.
- c) Assets and liabilities arising out of foreign exchange transactions, as mentioned above, are translated at the rates of exchange ruling on the date of Balance Sheet and are suitably adjusted to the appropriate revenue/capital account.

ix. DIVIDEND

Final dividends on shares are recorded as liability on the date of approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the company Board of Directors.

x. TAXATION

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with the Income Tax Act, 1961.

- Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax.
- Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation are recognized only when there is virtual certainty supported by convincing evidence that such assets will be realized. Deferred tax assets arising on other temporary timing differences are recognized only if there is a reasonable certainty of realization.
- Minimum alternate tax payable under the provisions of the Income Tax Act, 1961 is recognized as an asset in the year in which credit become eligible and is set off to the extent allowed in the year in which the company becomes liable to pay income taxes at the enacted tax rates.

xi. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

xii. CONTINGENT LIABILITIES

Contingent liabilities are not recognized in the accounts, but are disclosed after a careful evaluation of the concerned facts and the legal issues involved.

Sree Akkamamba Textiles Ltd.,

Note 2 - Share Capital	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
<u>Authorised Shares :</u> 2750000(31 March 2018 : 2750000) equity shares of Rs.10/-each	2,75,00,000	2,75,00,000
25000 (31-03-2018: 25000) 9.50% Cumulative redeemable preference shares of Rs.100/- each.	25,00,000	25,00,000
	3,00,00,000	3,00,00,000
<u>Issued Shares :</u> 1769308(31 March 2018 :1769308) equity shares of Rs.10/- each.	1,76,93,080	1,76,93,080
	1,76,93,080	1,76,93,080
<u>Subscribed and fully paid-up shares :</u> 1700807(31 March 2018 :1700807) equity shares of Rs.10/- each.	1,70,08,070	1,70,08,070
Total issued, subscribed and fully paid-up capital	1,70,08,070	1,70,08,070

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.	As At 31st March 2019 (Rs.)		As At 31st March 2018 (Rs.)	
	No.	Rs.	No.	Rs.
<u>Equity Shares :</u> At the beginning of the period	17,00,807	1,70,08,070	17,36,352	1,73,63,520
Issued during the period - Bonus issue	-	-	-	-
Issued during the period - ESOP	-	-	-	-
Bought back during the period	-	-	35,545	3,55,450
Outstanding at the end of the period	17,00,807	1,70,08,070	17,00,807	1,70,08,070

During the year 2017-18, the Company had bought back 35,545 shares of Rs.10/- each at a premium of Rs.112.33 each in the course of buy-back offer given by the Company as to facilitate removal of Company name from the Dissemination Board of National Stock Exchange under SEBI Circular No.SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10-10-2016.

b. Details of shareholders holding more than 5% shares in the company

Equity shares of Rs. 10/- each fully paid	As At 31st March 2019 (Rs.)		As At 31st March 2018 (Rs.)	
	No.	% holding in the class	No.	% holding in the class
1) The Andhra Sugars LTD	1,40,000	8.23%	1,40,000	8.23%
2) Sri Mullapudi Narendranath	2,01,000	11.82%	2,01,000	11.82%
3) Sri Mullapudi Thimmaraja	1,15,600	6.80%	1,15,600	6.80%
4) Sri Mullapudi Mrutyumjaya Prasad	1,07,800	6.34%	1,07,800	6.34%
Total	5,64,400	33.19%	5,64,400	33.19%

c. Rights, Preference and restrictions attached to equity shares:

- 1) The company has only one class of equity shares having a face value of Rs.10/- each. Each holder of equity share is entitled to one vote per share held. In the event of liquidation of Company, the holders of equity share will be entitled to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the share holders.
- 2) The financial statements of the company were approved by the Board of Directors on 22-05-2019.

Note 3 - Reserves and Surplus	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
General Reserve		
Balance as per the last Financial Statements	30,00,00,000	30,00,00,000
Add : Transfer from Surplus balance in the Statement of Profit and Loss.	-	-
Closing Balance	30,00,00,000	30,00,00,000
Capital redemption reserve	3,55,450	3,55,450
Surplus / (Deficit) in Profit and Loss Statements	6,72,17,317	7,02,82,973
Profit/Loss(-) for the year	(1,76,10,556)	42,93,608
	4,96,06,761	7,45,76,581
Less : Appropriations		
Dividend paid	17,00,807	17,36,352
Tax on distributed Profits	3,49,606	3,53,480
Tax on distributed Profit of earlier year	-	-
Amount utilized for Buy back of shares	-	39,92,770
Tax on buy back of shares	-	9,21,212
Transfer to Capital redemption reserve	-	3,55,450
Total Appropriations	20,50,413	73,59,264
Net Surplus in statement of Profit and Loss	4,75,56,348	6,72,17,317
Total Reserves and Surplus taken to Balance Sheet	34,79,11,798	36,75,72,767

Sree Akkamamba Textiles Ltd.,

Note 4 - Long Term Borrowings	Non-current portion		Current maturities	
	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
Term Loans				
Rupee loan from banks (secured)				
i) Term Loan from Andhra Bank	-	-	-	2,00,00,000
ii) Term Loan from Andhra Bank	4,00,00,000	4,17,91,616	2,00,00,000	2,00,00,000
	4,00,00,000	4,17,91,616	2,00,00,000	4,00,00,000
Inter Corporate Loan (Unsecured)	2,00,00,000	4,00,00,000	2,00,00,000	2,00,00,000
<u>Other Loans and advances:</u>				
<u>Deposits (unsecured)</u>				
Deposit from Directors	17,64,000	-	-	-
Deposits from share holders	7,07,22,000	7,00,71,000	-	-
Deposits from Public	-	-	-	-
	9,24,86,000	11,00,71,000	2,00,00,000	2,00,00,000
Total Amount	13,24,86,000	15,18,62,616	4,00,00,000	6,00,00,000
The above amount includes				
Secured borrowings	4,00,00,000	4,17,91,616	2,00,00,000	4,00,00,000
Unsecured borrowings	9,24,86,000	11,00,71,000	2,00,00,000	2,00,00,000
Amount disclosed under the head "other current liabilities"(note 9)	-	-	4,00,00,000	6,00,00,000
Net Amount	13,24,86,000	15,18,62,616	0	0

Term Loans from Banks comprise of:

	i Andhra Bank	ii Andhra Bank
a) Loan availed (Rs.)	12,00,00,000	10,00,00,000
b) No. of instalments	24	20
c) Instalment commencing from	30-06-2013	30-06-2017
d) Rate of Interest	MCLR+1.95%+TP	MCLR+1.95%+TP
e) Instalment amount per quarter (Rs.)	50,00,000	50,00,000

(The above loans are secured by exclusive first charge on assets created out of the respective loan)

Note 5 - Other Long Term Liabilities	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
Trade payables	-	-
Total	-	-
Others		
Outstanding Liabilities for expenses	1,36,70,334	1,36,70,334
Trade Deposits	1,24,842	1,24,842
Advance from customers	-	-
Interest accrued but not due on deposits	56,78,539	47,98,944
Unearned revenue	-	-
Total	1,94,73,715	1,85,94,120

Note 6 - Deferred Tax Liability (Net)	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
<u>Deferred Tax Liability</u>		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting others	11,55,12,518	11,54,89,866
Gross deferred tax liability	11,55,12,518	11,54,89,866
<u>Deferred tax asset</u>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	60,17,169	60,64,992
Provision for diminution in the value of investments	-	-
Provision for doubtful debts and advances	1,85,371	1,85,371
Others - Un-absorbed depreciation loss	2,36,36,929	1,63,18,091
Gross deferred tax asset	2,98,39,470	2,25,68,454
Net Deferred Tax Liability	8,56,73,049	9,29,21,412

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Note 7 - Provisions	Long Term		Short Term	
	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
<u>Provision for employee benefits:</u>				
Provision for gratuity	-	-	-	-
Provision for leave benefits	14,85,375	22,68,812	23,78,458	13,78,953
	14,85,375	22,68,812	23,78,458	13,78,953
<u>Other Provisions:</u>				
Provision for Income tax	-	-	-	-
	14,85,375	22,68,812	23,78,458	13,78,953

The directors propose a dividend of Re.1/- per share, on all the fully paid equity shares for the year ended 31 March, 2019 subject to approval by shareholders at the AGM. The total dividend amount payable works out to Rs.17.01 lakhs.

Note 8 - Short Term Borrowings	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
Cash credit from Banks (Secured)	25,03,65,613	18,98,96,315
Loan repayable on demand (Unsecured)		
- from Directors	1,66,326	1,77,840
Deposits (unsecured)		
- from Directors	-	13,07,000
- from Shareholders	6,00,04,000	4,96,63,000
- from Public	-	-
	31,05,35,939	24,10,44,155
<u>The above amount includes</u>		
Secured borrowings	25,03,65,613	18,98,96,315
Unsecured borrowings	6,01,70,326	5,11,47,840

Note: The above Cash Credit loan from Banks are secured by way of first charge on Cotton, Yarn, Stock-in-process, Stores and spares and book debts and second charge on the fixed assets. The same is repayable on demand.

Note 9 - Other Current Liabilities	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
9.1 - Trade payables		
Due to Micro, Small and Medium Enterprises (See Note No.11)	-	-
Due to Others	15,24,35,345	12,38,19,681
	15,24,35,345	12,38,19,681
9.2 - Other Liabilities:		
Current maturities of long term borrowings	4,00,00,000	6,00,00,000
Interest accrued but not due on borrowings	71,52,013	63,91,476
Advance from customers	13,54,345	5,52,646
Unclaimed dividend	8,79,876	8,49,059
Unclaimed Fixed Deposits	-	29,71,000
Interest accrued on unclaimed FDs	-	11,05,041
Accrued Salaries and Benefits	1,64,61,807	1,71,62,533
Directors Remuneration	-	-
Trade Deposits	-	-
Statutory Dues	-	-
Outstanding Liabilities for expenses	1,74,18,481	1,75,33,510
Other payables	1,78,85,444	1,99,45,646
	10,11,51,966	12,65,10,911
	25,35,87,311	25,03,30,592

Note 10 - Tangible Assets

Sl. No.	Description	Cost upto 31.03.18	Gross Block			Depreciation				Net Block		
			Additions during the year	Deductions during the year	Cost upto 31.03.19	upto 31.03.18	for the year	on Deductions	upto 31.03.19	W.D.V. As At 31.03.19	W.D.V. As At 31.03.18	
1.	Land	22,61,750	0	0	22,61,750	0	0	0	0	0	22,61,750	22,61,750
2.	Buildings	7,71,37,811	0	0	7,71,37,811	3,61,49,507	21,39,158	0	3,82,88,665	3,88,49,146	4,09,88,304	4,09,88,304
3.	Roads	2,36,149	0	0	2,36,149	2,24,342	0	0	2,24,342	11,807	11,807	11,807
4	Plant & Machinery	128,11,58,872	93,20,434	1,56,06,589	127,48,72,717	63,51,30,278	3,76,70,971	1,47,80,320	65,80,20,929	61,68,51,788	64,60,28,594	64,60,28,594
5	Electrical Installations	3,20,10,317	0	0	3,20,10,317	2,49,51,211	9,48,602	0	2,58,99,813	61,10,504	70,59,106	70,59,106
6	Laboratory Equipment	2,64,45,318	0	0	2,64,45,318	1,94,64,178	10,39,445	0	2,05,03,623	59,41,695	69,81,140	69,81,140
7	Computers	29,36,638	0	0	29,36,638	27,54,238	19,975	0	27,74,213	1,62,425	1,82,400	1,82,400
8	Furniture & Fittings	20,29,833	0	0	20,29,833	18,05,820	31,062	0	18,36,882	1,92,951	2,24,013	2,24,013
9	Motor Vehicles	37,49,200	36,85,926	25,70,166	48,64,960	26,98,225	3,76,847	21,87,690	8,87,382	39,77,578	10,50,975	10,50,975
	Total	142,79,65,888	1,30,06,360	1,81,76,755	142,27,95,493	72,31,77,799	4,22,26,060	1,69,68,010	74,84,35,849	67,43,59,644	70,47,88,089	70,47,88,089
	Previous year	133,58,23,587	9,74,74,233	53,31,932	142,79,65,888	68,63,94,480	4,18,48,651	50,65,333	72,31,77,798	70,47,88,089	64,94,29,107	64,94,29,107

Note: (1) No impairment of assets, hence, the relevant disclosure was not made herein above.

Note 11 - Non-current Investments	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
Trade Investments (valued at cost unless stated otherwise)		
<u>Unquoted equity instruments</u>		
1268000 (31 March 2018:1268000) Equity shares of Rs. 10/- each, fully paid up in Andhra Pradesh Gas Power Corporation Ltd.,	3,50,87,500	3,50,87,500
Non-trade investments (valued at cost unless stated otherwise)	3,50,87,500	3,50,87,500
Investment in equity instruments(quoted)		
301940(31 March2018:301940) Equity shares of Rs.10/-each, fully paid up in The Andhra Sugars Ltd., Tanuku	36,82,298	36,82,298
<u>Equity Shares (Unquoted)</u>		
5100 (31 March 2018:5100) Equity Shares of Rs. 10/-each, fully paid up in The Andhra Farm Chemicals Corporation Ltd.,Kovvur	51,000	51,000
<u>Government and Trust securities (unquoted)</u>		
Investment in government securities	-	1,500
	37,33,298	37,34,798
	3,88,20,798	3,88,22,298
Aggregate amount of quoted Investments		
- Market Value Rs.	10,36,25,808	12,33,42,490
- Cost Rs.	36,82,298	36,82,298
Aggregate amount of unquoted investments	3,51,38,500	3,51,40,000
Aggregate provision for diminution in value of investments	-	-

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Note 12 - Loans and advances	Non-current		Current	
	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
<u>Capital Advances</u>				
Secured, considered good	-	-		
Unsecured, considered good	-	-	-	-
(A)	-	-	-	-
<u>Security Deposit</u>				
Secured, considered good	-	-	-	-
Unsecured, considered good	1,63,40,502	1,63,35,637	-	-
Doubtful	1,63,40,502	1,63,35,637	-	-
Provision for doubtful security deposit	1,63,40,502	1,63,35,637	-	-
(B)	1,63,40,502	1,63,35,637	-	-
Loans and advances to related parties				
Unsecured, considered good				
(C)	0	0	-	-
Advances recoverable in cash or kind				
Secured, considered good				
Unsecured, considered good			69,54,951	64,86,957
Doubtful			69,54,951	64,86,957
Provision for doubtful advances				-
(D)	0	0	69,54,951	64,86,957
<u>Other Loans and Advances</u>				
Foreign Currency				
MAT Credit	3,87,22,461	3,87,22,461	-	-
Advances to Trade Payables	-	-	80,45,836	-
Advance Income-tax / TDS	-	-	10,38,791	8,29,485
Interest subsidy receivable (TUFS)	-	-	1,48,494	2,73,151
Prepaid expenses	-	-	4,59,204	5,25,000
Loans and Advance to employees	-	-	-	-
Balances with Statutory / government authorities	-	-	25,88,179	28,29,672
(E)	3,87,22,461	3,87,22,461	1,22,80,504	44,57,308
Total [A+B+C+D+E]	5,50,62,963	5,50,58,098	1,92,35,455	1,09,44,265

Note 13.1 - Trade receivables	Non-current		Current	
	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
Unsecured, considered good, unless stated otherwise: Outstanding for a period exceeding six months from the due date of payment				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	28,115	21,375
Doubtful			7,12,967	7,12,967
Provision for doubtful receivables	-	-	7,41,082	7,34,342
(A)	-	-	7,12,967	7,12,967
Other receivables				
Secured, considered good			-	-
Unsecured, considered good			9,90,40,854	10,34,48,765
Doubtful			-	-
Provision for doubtful receivables	-	-	9,90,40,854	10,34,48,765
(B)	-	-	9,90,40,854	10,34,48,765
Total [A+B]	-	-	9,90,68,969	10,34,70,140

Note 13.2 - Other assets	Non-current		Current	
	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
<u>Unsecured, considered good unless stated otherwise</u>				
Non-current bank balances		-	-	-
[A]	-	-	-	-
<u>Others</u>				
Gratuity Fund (Net planned assets)			34,55,133	1,24,873
Interest accrued			12,71,642	15,39,248
[B]	-	-	47,26,775	16,64,121
Total [A+B]	-	-	47,26,775	16,64,121

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Note 14 - Inventories (valued at lower of cost and net realizable value)	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
Raw materials and components at Cost	19,38,80,620	13,51,49,149
Work-in-progress at Cost	3,05,89,405	2,99,22,117
Finished goods at Cost	2,07,55,538	1,56,85,015
Stores and spares at Cost (including in transit Rs.29,01,790/- (Prev.year Rs.14,42,546))	2,58,06,181	2,42,62,589
Loose tools & Implements	3,07,298	3,44,471
Total	27,13,39,042	20,53,63,341

Note 15 - Cash and Bank balances	Non-current		Current	
	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.	As At 31st March 2019 Rs.	As At 31st March 2018 Rs.
<u>Cash and Cash Equivalents :</u>				
Balances with Banks:				
In current accounts			87,299	1,51,55,777
Deposits with original maturity of less than 3 months			55,43,000	42,74,000
In unclaimed dividend accounts			8,79,876	8,49,059
Cash on hand			1,31,394	47,808
			66,41,569	2,03,26,644
<u>Other Bank Balances :</u>				
Deposits with original maturity for more than 12 months	-	-	-	-
Deposits with original maturity for more than 3 months but less than 12 months	-	-	-	-
Margin money deposit	-	-	12,84,500	25,44,500
	-	-	12,84,500	25,44,500
Amount disclosed under non-current assets (Note: 13.2)	-	-	-	-
Total	-	-	79,26,069	2,28,71,144

Note 16 - Revenue from operations	2018-2019 Rs.	2017-2018 Rs.
<u>Sale of products:</u>		
Finished goods	103,20,64,601	101,60,37,278
Sale of Cotton Waste	5,24,19,274	5,11,30,462
	108,44,83,875	106,71,67,740
<u>Other Operating Revenue</u>		
Packing & Forwarding charges collected	20,688	2,52,406
Revenue from operations	108,45,04,563	106,74,20,146

Details of products sold	2018-2019 Rs.	2017-2018 Rs.
<u>Finished goods sold:</u>		
Cotton Yarn	103,20,64,601	101,60,37,278
Cotton Waste	5,24,19,274	5,11,30,462
	108,44,83,875	106,71,67,740

Note 17 - Other Income	2018-2019 Rs.	2017-2018 Rs.
<u>Interest income on:</u>		
Bank deposits	8,48,145	6,35,857
Others	11,50,904	14,31,260
Dividend received	30,19,400	30,19,400
Government grant - Electricity		
Subsidy from govt. of AP	2,45,22,757	-
Other non-operating income #	9,08,180	24,60,283
	3,04,49,386	75,46,800

Note :

# Other non-operating income includes	2018-2019 Rs.	2017-2018 Rs.
Miscellaneous Receipts	2,45,543	5,83,872
Rent received	1,78,465	3,64,570
Net gain on sale of assets	4,84,172	12,86,363
Credit Balance written back	-	2,25,478
Total	9,08,180	24,60,283

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Note 18 - Cost of raw material consumed	2018-2019 Rs.	2017-2018 Rs.
Inventory at the beginning of the year	13,51,49,149	9,76,13,354
Add:Purchases	65,31,19,210	60,26,44,014
	78,82,68,359	70,02,57,368
Less: Inventory at the end of the year	19,38,80,620	13,51,49,149
Cost of raw material consumed	59,43,87,739	56,51,08,219

Details of raw material consumed	2018-2019 Rs.	2017-2018 Rs.
i) Cotton	59,43,87,739	56,51,08,219
Total	59,43,87,739	56,51,08,219

Details of Inventory	2018-2019 Rs.	2017-2018 Rs.
<u>Raw materials:</u>		
i) Cotton	19,38,80,620	13,51,49,149
Total	19,38,80,620	13,51,49,149

Note 19 - (Increase) / Decrease in inventories	2018-2019 Rs.	2017-2018 Rs.	(Increase) / Decrease Rs.
Inventories at the end of the year			2018-19
Work in progress	3,05,89,405	2,99,22,117	(6,67,287)
Finished goods	2,00,66,213	1,52,15,338	(48,50,875)
Cotton waste	6,89,325	4,69,677	(2,19,648)
	5,13,44,943	4,56,07,132	(57,37,810)
Inventories at the beginning of the year			2017-18
Work in progress	2,99,22,118	3,00,58,278	1,36,160
Finished goods	1,52,15,338	1,90,65,374	38,50,036
Cotton waste	4,69,677	11,96,478	7,26,801
	4,56,07,133	5,03,20,130	47,12,997

Details of Inventory	2018-2019 Rs.	2017-2018 Rs.
<u>Work-in-progress</u>		
Cotton-in-process	3,05,89,405	2,99,22,117
	3,05,89,405	2,99,22,117
<u>Finished goods</u>		
Cotton waste	6,89,325	4,69,677
Yarn at factory	2,00,66,213	1,52,15,338
	2,07,55,538	1,56,85,015

Note 20 - Employee benefit expense	2018-2019 Rs.	2017-2018 Rs.
Salaries, wages and bonus	12,21,98,341	12,05,70,622
Contribution to provident and other fund	1,50,96,665	1,62,29,729
Gratuity expense	31,86,962	52,93,898
Staff welfare expenses	53,27,859	48,10,614
	14,58,09,827	14,69,04,863

Note 21 - Other expenses	2018-2019 Rs.	2017-2018 Rs.
Consumption of stores and spares	1,66,21,473	1,53,09,673
Processing Charges	1,11,38,457	1,08,68,713
Power and fuel	19,95,25,110	19,04,57,372
Freight and forwarding charges	80,88,832	77,75,537
Rent	10,08,000	9,29,250
Rates and taxes	4,49,207	7,31,030
Insurance	13,11,349	14,05,390
Repairs and maintenance		
Plant and machinery	3,57,35,464	3,51,53,579
Buildings	57,67,554	30,41,400
Others	25,82,125	24,62,365
Expenditure on CSR	-	6,08,727
Sales commission	80,67,424	88,52,284
Travelling and conveyance	26,69,033	23,55,958
Communication costs	1,21,817	1,19,828
Hank Yarn Obligation charges	15,38,822	10,73,510
Directors' sitting fee	1,77,000	1,45,500
Payment to auditors(Refer details below)	3,63,918	3,52,600
Difference in Foreign Exchange	88,859	-
Tools written off	37,173	38,279
Bank Charges	2,12,226	2,71,144
Miscellaneous expenses	1,08,39,596	1,15,29,535
	30,63,43,439	29,34,81,674

Payment to Auditors	2018-2019 Rs.	2017-2018 Rs.
<u>As Auditor:</u>		
Audit fee	1,50,000	1,50,000
Tax audit fee	40,000	52,500
Other services (certification fees)	77,500	56,975
Reimbursement of expenses	26,418	23,125
Cost Auditors Fee	70,000	70,000
Total	3,63,918	3,52,600

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Note 22 - Depreciation and amortization expense	2018-2019 Rs.	2017-2018 Rs.
Depreciation of tangible assets	4,22,26,060	4,18,48,651
	4,22,26,060	4,18,48,651

Note 23 - Finance Costs	2018-2019 Rs.	2017-2018 Rs.
Interest	5,57,39,612	5,36,55,142
Other Borrowing cost	10,44,000	17,42,501
	5,67,83,612	5,53,97,643

Note 24	2018-2019 Rs.	2017-2018 Rs.
1. Contingent liabilities not provided for:		
a) Counter guarantees given to bankers for issue of Bank guarantees in favour of Government authorities.	22,95,859	49,95,859
b) Estimated amount of contracts to be executed on Capital accounts.	-	-
c) Claims against the company not acknowledged as debts;		
- Income tax matters	5,92,781	5,92,781
d) Bills discounted with Banks	NIL	NIL
2. Earnings in Foreign Currency	NIL	NIL
3. Expenditure incurred in Foreign Currency :		
- on account of foreign travel (excluding tickets purchased in Indian currency)	11,25,741	11,32,872
- CIF value of Imports made during the year :-		
- Raw materials	2,72,33,924	5,18,27,697
- Components and spare parts	6,65,865	11,97,638
- Capital Goods	83,32,744	-

4. Sales :	2018-19		2017-18	
	Quantity (Kgs.)	Value Rs.	Quantity (Kgs.)	Value Rs.
Cotton yarn	25,52,627	103,20,85,289	24,84,938	101,62,89,684
Waste	13,02,609	5,24,19,274	12,28,823	5,11,30,462
		108,45,04,563		106,74,20,146

	2018-19		2017-18	
	Quantity (Kgs.)	Value Rs.	Quantity (Kgs.)	Value Rs.
5. Raw Material Consumed Cotton	39,70,257	59,43,87,739	37,47,326	56,51,08,219
6. Opening Stock of Finished goods:				
Yarn	37,573	1,52,15,338	52,585	1,90,65,374
Waste	18,323	4,69,677	28,915	11,96,478
7. Closing stock of finished goods:				
Yarn	53,131	2,00,66,213	37,573	1,52,15,338
Waste	30,816	6,89,325	18,323	4,69,677

8. Details of Licenced, installed and actual production :

	2018-2019	2017-2018
a) Capacity registered with the Government: Spindles (Nos.)	80,208	80,208
b) Installed Capacity: Spindles (Nos.)	80,208	80,208
c) Actual Production:		
Yarn (Kgs.)	25,68,185	24,69,926
Waste (Kgs.)	13,15,102	12,18,231

Note : The licenced and installed capacities are as certified by the Management.

9. Comparison between indigeneous and imported raw materials, components and spare parts during the year

a) Raw materials :	2018-19		2017-18	
	Value	%	Value	%
Imported	3,33,05,878	5.60	4,36,69,072	7.73
Indigenous	56,10,81,861	94.40	52,14,39,146	92.27
	59,43,87,739	100%	56,51,08,218	100%
b) Components and spare parts: (charged to appropriate heads)				
Imported	6,96,721	2.04	14,75,918	4.40
Indigenous	3,34,82,746	97.96	3,20,76,971	95.60
	3,41,79,467	100%	3,35,52,889	100%

10. The balances in the accounts of various parties are subject to confirmation by and reconciliation with the concerned parties.

11. Disclosures on payments and dues to suppliers as defined in Micro, Small and Medium enterprises Development Act, 2006:

- i) Amount remaining unpaid beyond the appointed/agreed date at the end of the year.
- | | |
|-----------------------------------------|-----|
| a) Principal amount of bills to be paid | Nil |
| b) Interest due thereon | Nil |

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- ii) a) Payments made to suppliers, during the year, but beyond appointed/agreed date Nil
Interest thereon in terms of sec.16 of the Act Nil
b) Interest paid along with such payments during the year Nil
c) Interest due and payable at the end of the year on such payments during the year Nil
iii) Amount of interest, for the year, u/s 16 of the Act, including accrued and remaining unpaid at the end of year Nil
iv) The total amount of interest, u/s 16 of the Act, including that arising in earlier years, accrued and remaining unpaid at the end of the year Nil

Note: For the purpose of the above details of the status of the suppliers under the Act has been determined, to the extent of and based on information furnished by the respective parties and has accordingly, been relied upon by the company and its auditors.

12. DISCLOSURE REQUIRED BY ACCOUNTING STANDARD-15 (REVISED) - EMPLOYEE BENEFITS

	2018-19		2017-18	
	GRATUITY	Leave Encashment	GRATUITY	Leave Encashment
a) Reconciliation for present value of obligations				
Present value of obligations as at beginning of year	6,68,56,915	36,47,765	6,89,57,587	36,79,514
Interest Cost	53,48,553	2,39,035	55,16,607	1,99,416
Current Service Cost	32,98,841	2,64,064	32,56,332	3,29,235
Benefits paid	1,10,10,655	9,63,458	1,28,63,654	9,47,790
Actuarial (gain)/loss on obligation	(3,22,174)	6,76,427	19,90,043	3,87,390
Present value of obligations as at end of year	6,41,71,480	38,63,833	6,68,56,915	36,47,765
b) Reconciliation for Fair Value of Plan Assets				
Fair value of plan assets at beginning of year	6,69,81,788		7,38,51,969	
Expected return on plan assets	51,38,258		55,03,901	
Contributions	65,17,222		4,89,572	
Benefits paid	(1,10,10,655)		(1,28,63,654)	
Actuarial gain on plan assets	--		--	
Fair value of plan assets at the end of year	6,76,26,613		6,69,81,788	
c) Expenses Recognised in statement of Profit & loss a/c				
Current Service cost	32,98,841	2,64,064	32,56,332	3,29,235
Interest Cost	53,48,553	2,39,035	55,16,607	1,99,416
Expected return on plan assets	51,38,258	-	55,03,901	-
Net Actuarial gain recognized in the year	(3,22,174)	6,76,427	19,90,043	3,87,390
Expenses to be recognised in the profit & loss	31,86,962	11,79,526	52,59,081	9,16,041
d) Net Liability Recognised in the Balance Sheet				
Present value of obligations as at the end of year	6,41,71,480	38,63,833	6,68,56,915	36,47,765
Fair value of plan assets as at the end of the year	6,76,26,613	-	6,69,81,788	-
Funded status	34,55,133	(38,63,833)	1,24,873	(36,47,765)
Net Liability Recognized in the Balance Sheet	(34,55,133)	38,63,833	(1,24,873)	36,47,765
e) Actuarial Assumptions				
Assumptions				
Discount Rate	7.50%	7.60%	8.00%	7.55%
Salary Escalation	7.00%	6.00%	7.00%	6.00%
Mortality rate	LIC 1994-96 Ultimate Mortality Table			

13. As the company is engaged in manufacture of a single line of products, identification of the company's business into segments does not arise, as contemplated in Accounting Standard (AS-17) "Segment reporting" issued by the Institute of Chartered Accountants of India.

14. Related Party Disclosures.

A. List of related parties

1	Key Managerial Personnel	Sri M.S.R.V.K. Rangarao
2	Relatives of Key Managerial Personnel	<p>Smt. M.Satyanarayanamma - Mother of Sri M.S.R.V.K.Rangarao</p> <p>Smt. M.Srivani - Wife of Sri M.S.R.V.K. Rangarao</p> <p>Sri M.Harischandra Prasad - Brother of Sri M.S.R.V.K.Rangarao</p> <p>Master M.Venkatarayudu - Son of Sri MSRVK Rangarao</p> <p>Ms.M.Rukmini - Daughter of Sri MSRVK Rangarao</p> <p>Mr. M Rushyant -Son in law of Sri MSRVK Rangarao</p> <p>Ms.M.Ramya Tara - Daughter of Sri MSRVK Rangarao</p>
3	Enterprises controlled by Key Managerial Personnel and Relatives of Key Managerial Personnel	<p>The Andhra Sugars Ltd., Jocil Ltd., VSM Spinning Mills Pvt. Ltd., Sree Venkataraya Printers and Packers Pvt.Ltd. Sree Venkataraya Threads Private Ltd., Royal Printing Works</p>

Sree Akkamamba Textiles Ltd.,

B. Transactions with the related parties :

Sl. No.	Nature of transaction	Enterprises Controlled by Key Managerial Personnel and relatives of Key Managerial personnel	Key Managerial Personnel	Relatives of Key Managerial Personnel
1.	Purchase of Goods from Sree Venkataraya Printers & Packers Pvt. Ltd.	1,24,51,648 (1,03,44,360)		
	The Andhra Sugars Ltd.	- (14,620)		
2.	Sale of Goods to The Andhra Sugars Ltd.	2,76,852 (1,04,562)		
3.	Dividends received from The Andhra Sugars Ltd.	30,19,400 (30,19,400)		
4.	Services Rendered by The Andhra Sugars Ltd.	- (5,750)		
	Royal Printing Works	1,43,705 (1,54,810)		
	Sree Venkataraya Threads Pvt. Ltd.	1,11,38,457 (1,08,68,713)		
5.	Remuneration paid to Sri M.S.R.V.K. Rangarao		33,19,461 (34,72,406)	
6.	Interest paid to The Andhra Sugars Ltd.	57,69,726 (2,16,986)		
	Jocil Limited	- (1,57,534)		
	Sri M.S.R.V.K. Rangarao		10,620 (19,141)	
	Smt. M.Satyanarayamma			4,54,256 (2,89,572)
	Ms. M Rukmini			3,30,895 (2,75,810)
	Ms. M Ramya Tara			96,739 (1,68,628)
	Sri Mullapudi Venkata Rayudu			1,27,893 (8,125)
7	Loan Repaid to Jocil Ltd.,	- (1,00,00,000)		
	The Andhra Sugars Ltd.,	2,00,00,000 -		

Sree Akkamamba Textiles Ltd.,

Sl. No.	Nature of transaction	Enterprises Controlled by Key Managerial Personnel and relatives of Key Managerial	Key Managerial Personnel	Relatives of Key Managerial Personnel
8	Rent paid to VSM Spinning Mills Pvt. Ltd.	10,08,000 (9,29,250)		
	<u>Balances as at 31.3.2019</u>			
9	Share capital of the Company held by The Andhra Sugars Ltd.	14,00,000 (14,00,000)		
	Sri M.S.R.V.K. Rangarao		4,96,000 (4,96,000)	
	Dr. M. Harischandra Prasad			4,96,000 (4,96,000)
	Smt. Mullapudi Satyanarayanamma			5,56,770 (5,56,770)
	Smt. Mullapudi Srivani			25,000 (25,000)
	Sri Mullapudi Venkata Rayudu			70,000 (70,000)
	Ms. Mullapudi Rukmini			70,000 (70,000)
	Ms. Mullapudi Ramya Tara			70,000 (70,000)
10	Investments held in The Andhra Sugars Ltd.	36,82,298 (36,82,298)		
	The Andhra Farm Chemicals Corp. Ltd.	51,000 (51,000)		
11	Amount due to The Andhra Sugars Ltd.	4,00,00,000 -		
	Sri M.S.R.V.K. Rangarao		1,66,326 (1,77,840)	
	Smt. Mullapudi Satyanarayanamma			74,52,455 (33,51,927)
	Ms. M Rukmini			26,12,196 (39,15,802)
	Ms. M Ramya Tara			10,67,771 (9,77,550)
	Sri Mullapudi Venkata Rayudu			25,31,421 (5,08,125)

Sree Akkamamba Textiles Ltd.,

Sl. No.	Nature of transaction	Enterprises Controlled by Key Managerial Personnel and relatives of Key Managerial personnel	Key Managerial Personnel	Relatives of Key Managerial Personnel
12	Dividends paid to The Andhra Sugars Ltd. Sri M.S.R.V.K. Rangarao Dr. M. Harischandra Prasad Smt. Mullapudi Satyanarayamma Smt. Mullapudi Srivani Sri Mullapudi Venkata Rayudu Ms. Mullapudi Rukmini Ms. Mullapudi Ramya Tara	1,40,000 (1,40,000)	49,600 (49,600)	49,600 (49,600) 55,677 (55,677) 2,500 (2,500) 7,000 (7,000) 7,000 (7,000) 7,000 (7,000)

15. Earning Per Share - the numerators and denominators used to calculate Basic and Diluted Earning per Share for the Years:

Particulars		2018-2019 Rs.	2017-2018 Rs.
Profit attributable to the Shareholders	A	(1,76,10,556)	42,93,609
Basic/Weighted Average No of Equity Shares Outstanding during the year	B	17,00,807	17,35,573
Nominal value of Equity Share Rs.		10	10
Basic and Diluted Earning Per Share	A/B	-10.35	2.47

16. Corporate Social Responsibility(CSR)

As per section 135 of Companies Act, 2013 the CSR committee has been formed by the company. The areas of CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, health and care, destitute care and rehabilitation and rural development projects

	Rs.
Amount required to be spent during the year	NIL
Amount spent during the year	NIL
Balance unspent amount	<u>NIL</u>

17. Previous year figures have been regrouped wherever necessary and figures have been rounded off to the nearest rupee.

18. Previous year figures have been shown in brackets.

Per our report of even date
for BRAHMAYYA & CO.
Chartered Accountants
Firm Regn.No.000513S
T.V.Ramana
Partner
Membership No:200523

For and on behalf of the Board of Directors
P.Narendranath Chowdary, Chairman
J.Murali Mohan, Director
N.Satyanarayana, General Manager (Fin & Admn.)

Place: Venkatarayapuram, Tanuku
Date: 22 May, 2019

PROXY FORM

SREE AKKAMAMBA TEXTILES LIMITED

Registered Office :
Venkatarayapuram, TANUKU - 534 215. W.G.Dt., (A.P.)
CIN : U51909 AP1954 PLC 000525
Email: akkamamba@gmail.com, Website: www.akkamamba.com
Phone: 08819-224945 / 224946

I/We being the member(s) of shares of the above named Company hereby appoint:

- (1) Name:Address:
E-mail ID Signature or failing him
- (2) Name:Address:
E-mail ID Signature or failing him
- (3) Name:Address:
E-mail ID Signature

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 65th Annual General Meeting of the Company to be held on Saturday, 27th July, 2019 at 10.00 A.M at the Regd. Office, Venkatarayapuram, Tanuku and any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
		for	against
	Ordinary Business		
1.	Adoption of Financial Statements for the year ended 31st March,2019		
2.	Approval of Dividend for the year 2018-19		
3.	Re-appointment of Sri M.Narendranath as Director who retires by rotation.		
4.	Ratification of appointment of M/s. Brahmayya & Co., Chartered Accountants as Auditors and fixing their remuneration.		
	Special Business		
5.	Acceptance of Fixed Deposits		
6.	Ratification of remuneration of Cost Auditors		

Signed this day of2019.

Signature of shareholder:.....

Signature of Proxy holder (s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 65th Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the For or Against column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.